



A sub-fund of Ninety One Funds Series iii managed by Ninety One Fund Managers UK Limited

The Investment Manager for this Fund is Ninety One UK Limited. Throughout this document, any reference to 'Ninety One', 'our' or 'we' refers to the Investment Manager.

What are the Fund's key sustainability characteristics?

The Fund will invest in:

We use the sustainability frameworks set out in our approach as part of the broader research process to both select investments and monitor positions.

The Fund won't invest in:

The Fund seeks to avoid investing directly in certain business activities, sometimes based on specific revenue limits as set out below:

The Fund avoids investing in companies that make more than 5% of their revenue from:

- the manufacture and production of tobacco products; or
- thermal coal extraction or power generation;
- exploring, producing, and refining oil and gas;
- operating gambling centres or online gambling portals,
- producing or distributing adult entertainment; or
- manufacturing conventional weapons, civilian firearms, or weapons support systems and services.

In addition, the Fund does not invest in companies involved in making controversial weapons, such as biological and chemical weapons, cluster munitions, or landmines. It also avoids companies directly involved in the production of nuclear weapons. Furthermore, the Fund excludes businesses that we believe violate the UN's Global Compact principles, which promote responsible practices in areas such as human rights, labour standards, environmental protection, and anti-corruption.

More exclusions may be added in the future. As they are introduced, they will be disclosed on our website and added to this document at the next opportunity.

Diversified Income Fund

Date **29 August 2025** | Fund Identifier **213800BU6SZYC4R6YD14**

Sustainability label

This product does not have a UK sustainable investment label.

This product evaluates the sustainability of the companies and countries it invests in but does not have a specific sustainability goal. It does not, therefore, meet the criteria under the Financial Conduct Authority's Sustainability Disclosure Requirements ('SDR') for a Sustainability label, which helps identify products with specific sustainability goals.

Sustainability Approach

Our approach involves evaluating the sustainability of the companies and countries we invest in, using our own research framework to analyse their positive and harmful effects on the environment, society, and workforce. We seek a forward-looking view that helps identify where positive or harmful effects will increasingly impact the value of investments over time. In addition, where the analysis identifies material negative impacts, we will avoid such companies or countries.

Our framework covers:

For companies, we evaluate the sustainability of our investments by analysing the relevant policies, operations, and business models each company uses to manage its negative effects while assessing opportunities to increase its potential positive effects.

For countries, we assess how well governments are balancing long-term environmental and social sustainability with short-term growth goals. We use quantitative data and qualitative information to assess the sustainability of investments.

We use reliable data sources and well-supported qualitative information from various sources, including public information like annual reports or government studies. We also analyse sustainability reports, third-party data vendors, our own models, and research reports. For example, to ensure accuracy when analysing companies, we examine the information considering the company's specific situation, what helps the company grow, the quality of its business model, and the dynamics of the industry in which it operates.

We implement **active stewardship** to preserve and grow our clients' assets. We exercise our rights as a shareholder to engage with the companies in which we invest. The extent of engagement activities will vary depending on the materiality of any adverse impacts, the ability to exert influence, and the nature and severity of the potential issue.

In addition, where significant adverse impacts are identified or potential non-compliance with good governance criteria exists, we will assess their materiality and the potential need for engagement to address these issues.

Sustainability Metrics

Diversified Income Fund

These metrics provide a useful overview of the Fund's sustainability characteristics:

Metric	Fund
For direct investments in shares of companies	
— Scope 1 & 2 company carbon footprint (in tonnes of CO2e per US\$m invested)	43
— Scope 3 company carbon footprint (in tonnes of CO2e per US\$m invested)	273
— Scope 1 & 2 weighted average company carbon intensity (in tonnes of CO2e per US\$m of revenue)	77
— Scope 3 weighted average company carbon intensity (in tonnes of CO2e per US\$m of revenue)	644
— Proportion of disclosure (% of companies in the portfolio which disclose carbon emissions figures)	75%
— Percentage of holdings with credible net-zero transition plans in place	2%
For direct investments in bonds issued by governments	
— Country carbon emissions on a per capita and/or per GDP basis	89
— Proportion of disclosure (% of countries in the portfolio which disclose carbon emissions figures)	100%

The above carbon disclosure is based on data from countries and companies where available. This data has been applied to the Fund position weightings as at the end of December 2024. Scope 3 data is complex, varies widely and is subject to underreporting and estimation errors. It includes supply chain and product usage emissions and should be interpreted cautiously when comparing companies or funds.

Carbon footprint

This measures the total carbon emissions ‘owned’ by the fund per US\$ million invested. This enables comparability across different investment types.

Carbon ‘Scope’

Scopes categorize different types of emissions:

- Scope 1: Direct emissions from company-owned sources, like fuel use on-site or company vehicles.
- Scope 2: Indirect emissions from energy the company buys (e.g., electricity).
- Scope 3: Emissions related to a company’s supply chain and product use. There are 15 categories, covering both upstream (supply chain) and downstream (product usage) emissions.

Country carbon emissions

The greenhouse gas emissions associated with a country’s activities, for example, energy production, industrial processes and agricultural production, are measured in metric tons of CO2 per US million of GDP.

Credible net-zero targets

Short and medium term greenhouse gas (GHG) emissions reduction targets that are science-based and consistent with the reduction pathway required to achieve agreed global climate goals. Net zero refers to reaching the point where total GHG emissions are equal to the emissions removed from the atmosphere.

Credible net-zero transition plans

A published plan that has clear actions and timelines covering the main activities or investments required to achieve an entity’s short and mid term net zero targets.

Carbon Intensity & Weighted Average Carbon Intensity (‘WACI’)

This measures the carbon emissions of a given entity per US\$ million of company revenue. At the fund or index level, the figure takes the weighted average carbon intensity of each assessable security in the fund/index to determine an overall carbon intensity.

Contact us

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Telephone calls may be recorded for training, monitoring and regulatory purposes and to confirm investors’ instructions.

Links

This document provides you with sustainability-related information about this Fund. Investors must read the Key Investor Information Document and Prospectus prior to investing. For latest copies of these documents as well as the Fund’s annual and semi-annual Report & Accounts and Instrument of Incorporation, please visit <https://ninetyone.com/en/united-kingdom/funds-strategies/literature-library>

Important information

All investments carry the risk of capital loss.
This communication is not an invitation to make an investment nor does it constitute an offer for sale.
For an explanation of technical terms not explained in this document, please refer to ninetyone.com/glossary

For a comprehensive explanation of the various labels and their meanings, please refer to the FCA website: <https://www.fca.org.uk/consumers/sustainable-investment-labels-greenwashing>